

TRANSMITTAL SLIP		DATE
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TO: Dick Lehman		
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REMARKS:		
I thought you might like to see this - and I would be pleased to have any comments you'd care to make.		
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16 August 1979

MEMORANDUM FOR: John Hicks

FROM:

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SUBJECT: Some Thoughts about the NIO System

1. As I noted in my first progress report to you, my research into the Impact of Intelligence on the NSC Policy Review and Decision Process indicates that there are a number of problems that relate to the NIO system. Since it seems likely that the new D/NFAC will want to look closely at the NIOs and consider the merit of continuing the system, I thought it might be useful to outline now what my research has uncovered so far--and some proposals the NFAC leadership might want to consider--rather than wait until I can produce a more extensive and formal paper. The data I have gathered is based on some fifty interviews, including discussions with a few of the NIOs.

2. My research leads me to conclude that the NIOs can play a vital role in the policy review and decision process in providing intelligence to key policy consumers:

--As the officer who is most likely to be able to judge the needs of key policy people.

--As the person who can tap resources throughout the intelligence community and bring those resources together.

--As the intelligence representative to senior policy review and decision working groups.

--As a major briefer, presenter--salesman, if you will--of the intelligence product.

3. In fact, if there were no NIOs, the information gained from my investigation would suggest that such a system should be created. Policy people seem to be very dependent on having adequate linkage to the intelligence community. While some ad hoc networks do exist and work efficiently outside the NIO structure, these nets do not always bring the best combination of resources together. They tend mostly to be groupings related

SUBJECT: Some Thoughts about the NIO System

to geographic rather than issue-oriented problems. Policy people seem to respond best to a system which provides them with a peg point, and a person with whom they can discuss needs or problems. From the community's point of view, individual production units seem to require some sort of catalytic agent to bring individual analysts, especially from different disciplines or from different agencies, into the kinds of working groups that tend to produce the intelligence products policy makers find most useful.

4. Unfortunately, as I indicated in my first report, the performance of the NIOs is decidedly mixed:

--Out of five case studies, the NIO was a significant factor in only two. In two others, the NIOs did not take an active role. In one case, an OSR officer was appointed by the DCI to chair intelligence participation, and he became a surrogate for the NIO. In one case, policy makers--perhaps because they were newcomers to the administration, but also because they did not know how best to tap into the intelligence system--began their deliberations without an intelligence input at all. In two cases, existing ad hoc networks were used to assign intelligence tasks, but this meant that the decision about which intelligence resources to use were made by policy makers and not by intelligence managers.

--In discussions with policy people where the NIOs came into the discussion, criticism as well as praise often surfaced. A great many people, after hearing my list of case studies, suggested that I should take a good look at a number of other areas where they had difficulty obtaining intelligence and where there was a problem with the NIO, either because of a reluctance to bring resources together, or because the NIO did not seem to want to take on the problem. Although there seems to be general recognition among policy people that the NIOs are supposed to be the channel to intelligence production, it appears to be a bit difficult to find out who the NIOs are, and how they divide their labor.

--Intelligence people within the agency find the NIOs can be a problem because they seem to be inserted into the NFAC management structure between D/NFAC and the production offices, rather than as an advisory staff group. This means that the NIOs can bypass production office management structure to tap an analyst for a project without the knowledge, or approval of

SUBJECT: Some Thoughts about the NIO System

the office leadership. This would tend to disrupt the office management's ability to control its resources and schedule its work. On the other hand, NIOs complain that they are expected to be able to answer questions about the management of the production offices, as well as to serve as substantive experts in their areas, and the present structure does not enable them to play either role very well.

--There does not seem to be any mechanism to bring the NIOs together on an inter-active basis to discuss or deal with problems that cut across issue-related or geographic lines. This is particularly a problem in trying to produce multi-disciplinary intelligence where there are differing views about the value of various inputs.

--The NIOs are perceived to lack a sense of direction or cohesiveness and it appears that the system we now have has evolved without any central plan. Consumers, producers and some NIOs themselves all complain that the NIO charter is unclear and that each NIO has carved out his role based on his own view of what an NIO is and what he should do.

5. While I think the problems I have outlined are serious, they do not apply to all the NIOs, many of whom are thought to be highly effective professionals. Nevertheless, they should be corrected if the NIO system is to play a more consistently useful role in supporting policy makers. I would therefore suggest considering the following ideas in reviewing the NIO system:

--The NIOs need a leader--a chief NIO, if you will--who would give them a sense of direction, a more consistent charter, and would serve as a force to bring the NIOs into some sort of forum where they could work with each other. The chief would probably need to have an executive officer to serve in the same way as does for the Senior Review Group.

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--The charter should make it clear that the NIOs serve as advisors to the D/NFAC, and not as "super-managers" of the line production offices. The NIOs should become catalysts for intelligence production across community lines. In that sense, they should deal with NFAC production offices in the same way

SUBJECT: Some Thoughts about the NIO System

that they would deal with INR and DIA. NIOs should be the key interface between policy makers and intelligence producers. The NIOs should represent the community in policy deliberations, although they should be authorized to designate a production analyst to serve as the community leader for particular projects--a system that seems to work well where it has already been tried.

--The NIOs should be encouraged to expand the warning meetings they have been holding to become a regular forum where intelligence producers and policy consumers can exchange ideas at the working level. In those areas where these kinds of get-togethers have already become a common practice, consumers indicate that they are highly satisfied that the intelligence product is meeting their needs.

--While many respondents have indicated that NIOs who have experience as intelligence professionals seem to have--or create--fewer problems than their colleagues from academia or the think-tanks, I'm not so sure that a diversity among the NIOs is necessarily a bad thing. It would seem useful, however, in those cases where the NIO is from "outside" that the deputy should be an experienced professional, either from within CIA or from one of the other agencies.

--I think the policy maker is ill-served when an NIO becomes the substantive spokesman on an area or an issue. Policy makers indicate that they benefit from hearing diverse arguments, rather than one judgment, and NIOs seem to think they would do better if they could focus on selected issues rather than a broad spectrum that requires diverting their effort into long sessions reading traffic or interrogating analysts. I think NIOs should be able to choose effective analysts to represent them as "experts" in briefings, or meetings, and should probably defer to the production offices where the problem does not require a multi-or inter-disciplinary approach.

6. In discussing some of the other areas of my research topic with policy makers, a number of other issues have surfaced in which the NIOs might become involved. This material is still being sorted out, but involves such things as:

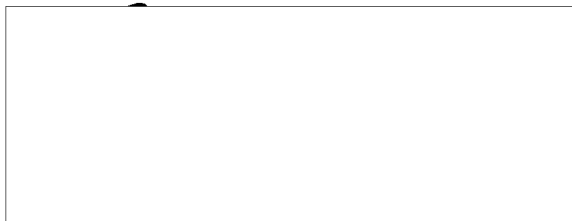
SUBJECT: Some Thoughts about the NIO System

--Developing a better system of production tasking that is more responsive than NITS as a reflection of policy makers' needs.

--Establishing a production evaluation system that will be able to tell us how well we are meeting policy makers' requirements and that will also enable us to get a better handle on costing production from the "output" side.

--Marketing intelligence to make sure that the right customers get the most appropriate material--and that they pay attention.

7. I hope to address each of these matters in the months ahead as I continue to dig away at the case studies.



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